

Rep. Matsui Votes to Stop China Currency Manipulation

Today, Congresswoman Doris Matsui (CA-05) voted in favor of H.R. 2378, the Currency Reform for Fair Trade Act, which addresses the issue of currency manipulation by foreign governments. This bill will provide meaningful relief to American businesses and workers materially injured by unfairly traded imports and create a new dynamic in U.S. efforts to get foreign countries — and especially China — to end its currency manipulation.

FOR IMMEDIATE RELEASE

Wednesday, September 29, 2010

CONTACT: MARA LEE

(202) 225-7163

Rep. Matsui Votes to Stop China Currency Manipulation

“Make in it America” Legislation Will Boost the Competitiveness of American Manufacturing Industry and Clean Energy Sector

WASHINGTON, DC — Today, Congresswoman Doris Matsui (CA-05) voted in favor of H.R. 2378, the Currency Reform for Fair Trade Act, which addresses the issue of currency manipulation by foreign governments. This bill will provide meaningful relief to American businesses and workers materially injured by unfairly traded imports and create a new dynamic in U.S. efforts to get foreign countries — and especially China — to end its currency manipulation.

“The U.S.-China trade relationship is vitally important to both the U.S. and China, but we must make sure that we are playing under the same rules,” said Congresswoman Matsui. “Currency manipulation is an issue of the international rule of law, and this bill provides a WTO-consistent response to the issue. This legislation will help the United States by making our goods more competitive in a global marketplace and reduce our trade deficit. And most importantly, by increasing the demand for American-made goods, we will boost our manufacturing sector and continue to create good jobs here at home.”

Currently, China is suppressing the value of its currency, the renminbi (RMB). It is estimated that China’s currency policy reduces U.S. GDP by 1.4 percentage points annually, making China’s exports cheaper than if China allowed its currency to be a floating exchange system. As a result, American companies are put at a competitive disadvantage and U.S. economic growth and job creation are being stifled by China’s currency policy.

The trade remedy provided in this bill is necessary to protect U.S. firms and workers from unfair international competition. Allowing the RMB to appreciate to its real value would make U.S. manufacturers more competitive and create an estimated 500,000 U.S. manufacturing jobs here in the United States.

The bill clarifies that the U.S. Department of Commerce can apply U.S. trade remedies to certain currency manipulation

situations. House passage of this bill could also help strengthening the Administration's position at the November G-20 meeting where in exchange rate policies will be discussed, and it is supported by the Fair Currency Coalition, comprised of 41 trade associations, 14 labor unions, federations, and councils, and 218 individual companies.

The Currency Reform for Fair Trade Act is part of the "Make it in America" initiative and helps underscore the commitment of this Congress to bolster America's manufacturing sector. In July, Congresswoman Matsui joined House Majority Leader Steny Hoyer (MD-05) and other Members of Congress committed to reviving America's manufacturing sector and creating good-paying American jobs to unveil the Make it in America agenda. The agenda is a manufacturing strategy based on the idea that when more products are made in America, more people will be able to make it in America.

The Make it in America agenda includes Congresswoman Matsui's legislation, H.R. 5156, the Clean Energy Technology Manufacturing and Export Assistance Act of 2010, which would boost the competitiveness of the U.S. clean technology industry in both domestic and international markets by promoting policies that reduce production costs and encourage innovation, investment, and productivity in the clean energy technology industry here at home. The Matsui legislation was passed by the House on July 28, 2010.

"I am glad that today we have passed another important piece of the Make it in America agenda, and I will continue working hard to put Sacramento families back to work and keep jobs from being shipped overseas," added Rep. Matsui.

For more information about the Make it in America agenda and Congresswoman Matsui's efforts to support domestic manufacturing, please [click here](#).

###